GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3303
ANSWERED ON:18.12.2015
Import Duty on Steel Imports
Kateel Shri Nalin Kumar;P. Shri Nagarajan;Patil Shri Bheemrao Baswanthrao

Will the Minister of FINANCE be pleased to state:

(a) whether the Directorate General of Safeguards (DGS"s) has issued a notification imposing safeguard duty of 20 per cent on import of steel including hot rolled steel to protect the domestic steel industry from excessive surge of imports of steel, if so, the details thereof and the reasons therefor;

(b) whether the said move has been opposed by the stakeholders, if so, the details thereof and the reasons therefor;

(c) whether the Government is aware that the steel producers are selling their produce to domestic consumers at 20% higher rate despite low international prices, if so, the details thereof along with the reasons therefor; and

(d) the corrective steps/measures taken or proposed to be taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI JAYANT SINHA)

(a): Director General (Safeguard), in his preliminary findings, dated 09.09.2015, has come to the conclusion that increased imports of "Hot-rolled flat products of non-alloy and other alloy Steel in coils of a width of 600 mm or more (subject to certain specified exclusions)" into India has caused and threatened to cause serious injury to the domestic industry/producers of subject goods, and any delay in application for provisional Safeguard duty would cause damage which would be difficult to repair, necessitating the imposition of provisional safeguard duty on import of subject goods into India, and accordingly recommended the imposition of provisional safeguard duty on imports of the subject goods into India. Central Government based on such preliminary findings of the Directorate General (Safeguard) has imposed a provisional safeguard duty at 20% ad valorem for 200 days with effect from 14.09.2015 vide Notification No. 2/2015-Customs (SG) dated 14.09.2015 on imports of such goods.

(b): Yes. As a part of the on-going investigations, representations opposing the imposition of safeguard duty have been received from various stakeholders, such as exporting counties, importers and downstream domestic industry etc. The representations are under consideration of the Director General (Safeguard). The investigation in this matter is yet to be completed, after which final finding will be issued by the DG (Safeguard).

(c) & (d): Price of a product is dependent on a number factors including demand and supply, international prices and not only the taxes.
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